

Internal Revenue Service

Department of the Treasury

District  
Director

Date: FEB 21 1984

Person to Contact:

Contact Telephone Number:

Refer Reply to:

Certified Mail

Dear Applicant:

We have considered your application which you filed on Form 1023 for recognition of exemption under Section 501(c)(3) of the Internal Revenue Code of 1954.

The evidence presented discloses that you were organized on [REDACTED] as a corporation within the State of [REDACTED]. The primary purpose of your organization is to educate the members of the [REDACTED] family on their genealogical history.

Your operations consist of two main activities. A substantial part of your activities is the compilation, publication, preservation and distribution of genealogical data on the [REDACTED] family members. This genealogical data is not developed for the express purpose of conforming to the religious precepts of the denomination to which the family members belong. The second main activity is the holding of periodic reunions for the [REDACTED] family members, and sponsoring an occasional social activity.

Section 501(c)(3) of the Internal Revenue Code grants exemption to organizations that are organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Section 1.501(c)(3)-1(c)(1) of the Income Tax Regulations states that an organization will be regarded as "operated exclusively" for one or more exempt purposes only if it engages primarily in activities which accomplish one or more of the exempt purposes specified in Section 501(c)(3) of the Code.

Revenue Ruling 80-302 denied exemption under Section 501(c)(3) to an organization such as yours which was created to locate, acquire, restore, and preserve all available genealogical records of a particular family. Membership in the organization was limited to the lineal or legal descendants of that particular family. The organization's primary activity was the compilation of genealogical data on its family members. The genealogical data was not developed for the express purpose of conforming to the religious precepts of the denomination to which the family members belonged. Another activity of the organization included holding periodic reunions <sup>for</sup> family members and sponsoring an occasional social activity.

( 2 )

On the basis of the information submitted, it is our conclusion that you are neither organized nor operated exclusively for charitable purposes, or any other purpose specified in section 501(c)(3). An organization that does not meet either the organizational or operational test does not qualify for exemption under Section 501(c)(3) of the Code.

You do not meet the organizational test, because you are organized for the purpose of educating the members of the [REDACTED] family on their genealogical history. This does not limit your activities to exclusively charitable or educational purposes within the meaning of Section 501(c)(3) of the Code.

You are not operated for charitable or educational purposes because your exemption application shows that you are primarily engaged in activities for the education and benefit of the [REDACTED] family members. Although there may be some educational value, these activities are primarily for the benefit of the [REDACTED] family members. Any benefit to the general public is merely incidental to the private benefit accruing to the members of the [REDACTED] family, and therefore, your activities are not limited to exclusively charitable or educational within the meaning of Section 501(c)(3) of the Code.

Accordingly, it is held that you are not exempt under Section 501(c)(3) of the Internal Revenue Code of 1954, and contributions to you are not deductible by donors as provided by Section 170 of the Code.

If you are in agreement with our findings, please sign, date and return one copy of the enclosed Form 6018.

You are required to file a taxable return Form 1120 or 1041 with the District Director of Internal Revenue Service. Please send the return to the Internal Revenue Service, P.O. Box 1680, General Post Office, Brooklyn, NY 11202.

If you do not agree with this determination you may protest in accordance with the enclosed instructions within 30 days.

If we do not hear from you within that time this determination will be considered final and the appropriate State Officials will be notified.

( 3 )

If you do not protest this proposed determination in a timely manner, it will be considered by the Internal Revenue Service as a failure to exhaust available administrative remedies. Section 7428(b)(2) of the Internal Revenue Code provides in part that "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Claims Court, or the district court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

Sincerely yours,

A solid black rectangular box used to redact the signature of the District Director.

District Director *(acting)*

Enclosure: Publication 892  
Form 6018